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ABSTRACT

The failure of State governments to use their unique place in the Federal structure for the relief of urban areas is illustrated by the school lunch program in New Jersey. The cities have a higher share of needy students and yet do not receive a greater share of program funds than the suburbs. The lunch gap--i.e., the number of low income students less the number of subsidized lunches served per day--is borne primarily by the cities--with the exception of the Atlantic City area. However, the State has several options in the allocation of school lunch program resources. But the State administration of fiscal controls is designed neither to produce the most meals for the needy nor to resolve the financial difficulties of urban school meal programs. In developing new policies for using the State controls more effectively, the "efficiency" objective to maximize the number of meals served to needy children for a given amount of Federal and State program funds must be balanced against the "equality" objective to compensate poor urban districts in accordance with their more pressing needs. The State government is in a strategic position to deal with the problems that fall particularly hard on the cities, by supplying needed fiscal resources, delivering needed services, and restructuring the organizational framework through which localities do business. (Author/JM)

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Response of State Government to an Urban Problem: The School Lunch Program in New Jersey

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assisted by
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ABSTRACT

State governments, in their strategic position in the federal structure, have special potential for dealing with the problems of urban areas, although states often fail to exploit that potential. The difficulties of the school lunch program in New Jersey are in many ways symptomatic of urban problems relating to poverty and the imbalance of fiscal resources in metropolitan areas. The potential for state response to the problem is likewise illustrative of the potential of states to respond to other urban problems. This paper examines the urban character of the school lunch problem in New Jersey, and the role that the state could play in alleviating the difficulties.

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Introduction

It is commonly held that the states have lagged in their responsibilities to address social problems, particularly those problems whose impacts fall especially hard upon the cities. Over the last decade, this realization has led to the development of Federal programs (under the aegis of "creative federalism") that deal directly with localities and by-pass the states as instruments of change. While the performance of the states heretofore may justify such an orientation of federal policy, it is also true that the states are in a strategic, and in some ways unique, position to respond to some of the basic factors that exacerbate the problems and inhibit their solution. Hence, it appears worthwhile to re-examine the role of the states, in light of what has been called the "new federalism," under which greater emphasis is attributed to the states' problem-solving role.

The subject of state response to an urban problem is illustrated in this paper by the school lunch program in New Jersey. The discussion is based on the author's experience in assisting an interdepartmental task force (coordinated by the New Jersey Department of Education) to analyze the state's food service programs and develop recommendations for implementation at the state level. School food service may seem like an unusual choice as an illustration of an urban problem, but the deficiencies of this program are particularly acute in the cities, and the difficulties encountered by localities in coping with the problem are characteristic of many other problems impacting on cities.

The presentation here is made in four parts. First, the state's particular position is considered in terms of authority and power relative to urban areas. Next, the New Jersey school food problem is described,

particularly with respect to its nature as an urban problem. Third, the role of a particular state vis-a-vis a particular urban problem, i.e., New Jersey and school food service, is presented to illustrate some specific alternatives that are available to the state. Finally, the prognosis for resolution of the problem is briefly discussed in terms of the traditional factors that have historically impeded progressive state policy, and newly emerging factors that may be favorable to achieving a successful solution via state action.

The States' Role in Addressing Urban Problems*

State governments, because of their strategic position in the federal structure, have a special potential for dealing with the conditions that are symptomatic of social problems in urban areas. This becomes clear when one examines the sources of the problems and the nature of the remedies required.

In part, the social problems impacting on urban areas are caused by discrepancies between local governmental fiscal resources and local service demands. Municipal governments in particular are being asked to deliver increasing quantities of increasingly costly services, in the face of very limited sources of revenue. The discrepancies are explained in large measure by two basic factors -- the concentration of low income people and the higher per capita expenditures required for services in the larger cities. The concentration of low income people in the cities requires municipalities to provide higher levels of public services (health, welfare, education, etc.), financed out of a lower tax base. Higher per capita costs for services may exacerbate this situation.

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*A full discussion of this subject is given in the essays in The States and the Urban Crisis, The American Assembly Series, Alan Campbell, ed., Prentice Hall, 1970.

Table 1, which classifies cities by absolute size of population and lists expenditures per capita for various public services (as well as income per capita and proportions of population in low income groups), shows the higher expenditures for services as city size increases. Part of this increase is probably due to increased unit costs from congestion, i.e., inefficiencies due to large scale and density. The remainder of the increases may be attributable to increases in the quantity and quality of services in the larger cities. That is, larger cities may simply provide certain services (e.g. city hospitals) that smaller cities do not. (In this case, the larger cities may be serving the populations of smaller cities and other surrounding areas, as well as their own citizens.) In addition, the larger cities may provide a higher quality for any given type of service. For whatever reason, the larger cities find it necessary to spend more per person to maintain their services.

Table 1 also shows that per capita income decreases, and that the proportion of poor people increases as city size increases. Thus, cities face a declining revenue base and increasing costs as their size increases. The big cities, therefore, clearly have a fiscal problem.

The discrepancies between demands and resources are exacerbated by the fragmentation of local governmental units in urban areas. The fragmentation, which occurs along both functional and geographic lines, has two principal deleterious effects. First, it impedes the efficient delivery of services and the efficient allocation of public resources by imposing political boundary lines and agency jurisdictions as artificial constraints on operations. Second, it leads to inequitable distributions of benefits and financial burdens among citizens located at different

points within the economic and geographic structures of urban areas. In particular, the political separation of the suburbs from the central cities leads to greater fiscal burdens and lower quality of services for city dwellers relative to their suburban counterparts of comparable income, and to regressive redistributions of wealth among different income groups in the metropolitan areas. This is partially due to the higher costs of services and the lower levels of personal income in the city, relative to the suburbs. Part may also be attributable to "spillovers" between city and suburb, i.e., costs imposed on the city for services (police, fire, sanitation, traffic control, etc.) used by suburbanites who pay their taxes to external jurisdictions.

In sum, cities must, with an inferior resource base, satisfy a more demanding set of requirements than other jurisdictions. In facing up to the problems, the residents of the cities carry a relatively greater fiscal burden. This is clearly in evidence in the five Standard Metropolitan Statistical Areas of New Jersey used for illustration in this discussion. The contrast between cities and suburbs is seen by comparing the relevant statistics of cities with populations over 50,000 within an SMSA with the statistics of the SMSA as a whole and of the (suburban) portion of the SMSA that lies outside the large cities. Such statistics dramatize the bind of the cities relative to their surroundings, and serve to indicate the hazards of fragmented urban governance, as well.

Table 2 shows that the cities are generally more dense (and congested) and that they contain higher proportions of low income people than the SMSA's as a whole. If we associate congestion and poverty with increased requirements and costs of social services then it is clear that

the cities have disproportionate shares. On the resources side of the ledger per capita income serves to indicate the base from which local governments can raise revenues to finance their services. As shown in Table 2, the cities are again at a relative disadvantage. Thus, the cities are forced to cope with proportionately greater needs with proportionately smaller resources.

The relative disadvantages of the cities are not spread uniformly among all the cities listed in Table 2. For example, some of the smaller cities such as Bloomfield, East Orange, and Plainfield, are in better shape than most. The crunch really becomes apparent in older, more populous cities with high proportions of low income citizens such as Jersey City, Newark, Elizabeth, Paterson, and Trenton. It is the larger cities, with the poorer populations, that are the cities that we think of when we speak of an "urban crisis."

While the cities are faced with the most serious discrepancies between requirements and resources, it is also true that they "try harder." Table 3 illustrates this point using several indices. The first of these is "own revenue" per capita, which indicates the amount of funds collected by <u>all</u> local governments from people in the given jurisdiction, per capita. For example, the revenue for any given city would consist of that collected from the residents of that city by the city government, school districts, other special function districts, and the county in which that city is located. As Table 3 shows, the city population raises significantly more public revenues per capita. Dividing "own" revenues by personal income we get a measure of "fiscal effort," as listed in the next column of the table. With a few exceptions a significantly greater effort is exerted

by residents of the cities. A similar trend is reflected in government expenditures per capita, as shown. In general, the cities, especially the larger ones, cannot be faulted for lack of effort, relative to their surrounding communities. This is especially true in view of the fact that escalation of tax burdens within the cities tends to drive taxpayers away from the cities, and further aggravate the problem.

Individual local jurisdictions are in poor positions to rectify the effects of fiscal disparities and fragmentation by themselves. Central cities, for example, have little political or economic bargaining leverage for seeking direct aid or cooperation from the more affluent suburbs. Alternatively, suburban areas find little inducement to share resources and responsibilities with the cities. What is more, any significant local actions to restructure governmental jurisdictions, finances, or functions must often meet with state approval. Thus, the states are in a crucial position because they hold the responsibility for setting the "ground rules"* by which local governments are structured, financed, and serviced. States set laws governing annexation and consolidation of local governments, home rule requirements, and creation of special districts. They oversee the structure of local tax systems, execute the disbursement of state aid, and administer federal grant program monies. Finally, the states are intimately involved in the execution and control of local functions such as education, welfare services, highways, and justice.

There are a number of beneficial directions, therefore, in which states can move. They can act to overcome jurisdictional fragmentation and compensate for financial and service disparities among localities

*This phrase is used by Roy W. Bahl in "State Taxes, Expenditures, and the Fiscal Plight of the Cities," in The States and the Urban Crisis, Alan Campbell, ed.

by inducing reorganization or coordination of local governments, by improving the state aid systems and local tax systems to reflect urban needs, and by performing service functions in a manner consistent with urban requirements. Although mechanisms and authority are available to the states for moving in these directions, there are some strong constraining influences that have inhibited progress in the past, and may continue to do so. In particular, the states' own fiscal and administrative structures are often obstacles that are difficult to change. More fundamentally, the balance of power in the state legislatures (traditionally rural but more recently suburban) and within the executive branch, are key factors in the future responsiveness of the states to problems of the urban areas.

New Jersey School Lunch - An Urban Problem

New Jersey is an urban state. Seventy-five percent of its population, and seventy-one percent of its public school children reside in its metropolitan areas (the five SMSA's discussed here, plus the New Jersey part of the Camden-Philadelphia SMSA). In addition, the New Jersey SMSA's house seventy-eight percent of the state's "low income children," as designated under the requirements of Title 1 of the Elementary and Secondary Education Act of 1965. (Title 1 children are usually from families with incomes under $3,000, or in families on welfare (AFDC)).* Not suprisingly, therefore, the school lunch problem is substantially urban as well.

*Unfortunately, the variation in Title 1 qualification standards among localities, plus the difference in the source and vintage of the data sets leads to some discrepancies in the tables in matching income data (e.g. percentage of families with incomes under $3,000) to the percentage of children classified as low income. In addition, the non-uniformity of Title 1 data biases the results such that districts with less complete reporting or more stringent qualification standards show disproportionately low numbers of low income children.

The school lunch situation in New Jersey SMSA's illustrates the extraordinary handicap that U.S. cities face, in trying to deal with the social problems that confront them. Faced with greater demands and less adequate resources, the performance of cities is sometimes proportionately better than other jurisdictions. But, in general, the cities' record is greatly deficient in terms of the sheer magnitude of the problem.

The school lunch problem is closely related to the problem of poverty, since one of the lunch program's prime objectives is to ensure that low income children receive adequate nutrition.* Needy children require free or reduced priced meals, which school districts must often undertake to finance themselves, at least in part. Thus, we may gauge the requirements facing local school districts, vis-a-vis the lunch problem, by the size and distribution of the population of needy students in the schools. Table 4 displays two sets of statistics that describe these factors: (a) the number of low income children as a percent of total enrollment, and (b) the number of "low income" schools as a percent of total number of schools, where a low income school is one whose enrollment consists of 10 percent or more students who are classified as low income children. The two measures yield somewhat different quantitative results because of varying degrees of integration of low income students into the overall communities. Nevertheless, both measures show the same trend of disproportionate burden on the cities.

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*The lunch program objectives are actually not clear cut and conflicts may arise. For example, "to feed needy children" is different than "to ensure that all children receive minimally adequate nutrition." Fortunately, these are not terribly inconsistent, since poor diet is inversely related to family income. A more serious conflict may occur between "feeding needy children" and "bolstering school meal programs in needy urban districts." It is possible, for example, that more needy children could be fed by bribing well-off school districts to feed their needy students, a task easily accomplished by extending already viable food service operations, than by heavily subsidizing very poor districts to the point where they can support school meals. In suggesting new options for financing meal services, the difference in these two objectives will be considered.

To summarize the table, the cities, especially the big cities, have a larger share of needy students and low income schools. Atlantic City, Jersey City, Newark, Paterson, and Trenton have particularly large concentrations. In some cases, such as Plainfield, Bloomfield, and Union City, the low income children are spread fairly evenly among schools, so that a high percentage of the schools are designated as low income. In other cities, a higher degree of segregation exists, leading to a concentration of the burden in a few schools. With only two exceptions -- Clifton and Irvington -- the proportions of low income children and low income schools exceed, usually substantially, the corresponding proportions in the SMSA areas outside these cities.

Table 5 shows the overall performance of SMSA cities and counties in serving all children, and particularly needy children and low income schools. The only index available for gauging the number of needy children participating is the number of free or reduced priced lunches served per day. In theory, all such lunches go to needy children; this index probably understates the needy child participation rate somewhat, however, since it is likely that more needy children partake of meals served at the full price than do non-poor children partake of free or reduced price meals. Although the results are mixed, it is clear that in terms of both the proportion of schools with lunch programs and the proportion of children who receive meals, overall and low income, that the cities are generally not doing much better than the suburbs. (Furthermore, it is apparent that few jurisdictions are doing well at all.) Most importantly, however, in view of the unusually large concentrations of needy in the cities, the lackluster performance in cities is particularly serious in

terms of absolute numbers of needy children that fail to receive a (free or reduced price) lunch (because of either lack of access to noontime meals in school, or because they cannot afford to participate in a program to which they have access). The "lunch gaps" for needy students, i.e. the number of low income students less the number of free and reduced price lunches served per day, are also listed in Table 5. New Jersey SMSA's carry seventy-nine percent of the state's lunch gap. Except for the Atlantic City SMSA, the cities carry a substantially greater proportion of the lunch gaps of their SMSA's than the city enrollments would justify. For example, the cities in the Jersey City SMSA show 76.5 percent of the gap though they enroll but 62.3 percent of the students in the SMSA. The respective figures for the other SMSA's are Newark -- 36.7 percent of the gap, 28.9 percent of the enrollment; Paterson-Clifton-Passaic -- 21.6 percent versus 18.3 percent; Trenton -- 86.1 percent; 30.4 percent. In Atlantic City SMSA the results are reversed -- 23.1 percent, 33.4 percent, mainly the result of an unusually good program in Atlantic City itself.

Finally, we have mentioned that one of the common hinderances that urban areas face in dealing with problems, is the fragmentation of local governments. In the school lunch case this is particularly apparent when one considers the number of school districts, and the size of the districts that operate in the SMSA's. Table 6 indicates this multiplicity of jurisdictions. The record for the SMSA's actually understates the case for New Jersey as a whole since the central cities of the SMSA's contain the larger, more unified school districts. However, it is still quite clear that the fragmentation of school system administration in the SMSA's precludes the sharing of burdens and resources on area-wide bases, and leaves the central cities in difficult circumstances.

Of course, the discrepancies in requirements and resources and the fragmentation of school administration do not account entirely for problems associated with the school lunch program. The failure of educators to view school food service as part of their own responsibilities, the perpetuation of the neighborhood school philosophy under which all students are required to leave the school at noon hour, and local voter opposition to programs that 'smack of welfare' -- all of these and other factors inhibit localities from performing adequately on the school meals issue. But the problems incurred as a result of the inferior economic position of the cities are in large part responsible. A redress of these and other problems at the state level could have a significant impact.

The Potential for Positive State Response

We have seen the dimensions of the school lunch problem as an urban-oriented phenomenon, and have discussed in general terms the potential role of state government in dealing with problems concentrated in the cities. Let us consider what specific impact the state can have in developing solutions to the school lunch problem. New Jersey is not completely typical of other states with regard to school lunch. If anything, New Jersey is an extreme example since it was ranked forty-ninth in the nation in 1968 in terms of the proportion of school children participating in the program, and still falls into the lower ten percent according to this criterion. There are special problems in New Jersey, such as the prevalence of the neighborhood school concept, but the general nature of the problem as well as the potential for state action is illustrative of that for other states.

State government is especially suited to exert influence along certain lines where either the federal government or the localities cannot

or will not act. States can set certain requirements and set and enforce certain regulations and various administrative procedures. They can implement incentives to induce local districts to take favorable actions. To some extent the state governments can provide services and resources to the districts. Of course, the prerogatives of the states are circumscribed by domains of action of the federal government and the localities. For example, the state is restricted in setting regulations or using funds in federal programs if such actions are contrary to the intent of the national government. On the other hand, the state is not particularly equipped to perform certain functions that local jurisdictions handle, such as the actual delivery of meals. There is a vast middle ground, however, where the initiative of the state can have a very significant impact. Many of the alternative courses of action in this "middle ground" are, of course, not solely the domain of the states. The imposition of laws and regulations, and the provision of services or resources, can often be effected by the federal government or by cooperative local efforts. Frequently, however, the state is in the best position to act, because of its superior access to resources than localities, and its closer liaison with local conditions than the federal government. Furthermore, the state is the only institution capable of a certain class of actions since it alone has the basic authority over the structure of local government.

In addressing the requirements/resources discrepancy of the cities, the state can act in several ways. On the resources side, there are measures than can be taken to increase the revenue to needy localities by restructuring the fiscal mechanisms and changing the allocation of funds at the state level, as well as to encourage better allocation of resources at the local level. On the requirements side, the state can serve by expanding its role as a provider of services, so as to reduce the burden on localities.

In terms of fiscal mechanisms, some specific options are available to the state, that would exploit the administrative leeway that the state has in administering federal school lunch funds as well as its own funds appropriated for that purpose. To be specific, we need to know something more about the National School Lunch Program, of which there are several parts. The regular school lunch program (Section 4 of the National School Lunch Act) provides an appropriation of funds to each state that may be used as reimbursement for lunches for all children, up to 12 cents per lunch. The "Special Assistance" lunch program provides cash for free and reduced price lunches for poor children, up to 25 cents each in schools designated as Special Assistance schools, or up to 20 cents per lunch if all lunches in a Special Assistance school are served free or at a reduced price. (Under federal legislation to be implemented in January, 1971, the Special Assistance designation of schools will be eliminated and reimbursement up to full operating cost of free lunches or reduced price lunches is authorized, regardless of the school in which the meal is served.) There are other cash programs under the National School Lunch and Child Nutrition Acts such as the non-food assistance, the breakfast, and the non-school food assistance programs, which we will not particularly concern ourselves with here. In addition, there are the commodity distribution programs that authorize the U.S. Department of Agriculture to purchase and distribute price-supported and other food commodities for schools in the National School Lunch Program. More will be said about the commodity program later.

At the federal level, the school lunch program has been generally underfunded so that the states do not receive enough money to cover free or reduced priced lunches for all poor children, and currently receive about a third of the 12 cents maximum of reimbursement (from Section 4) for each (regular) meal served. The remarkable thing, however, is the degree of latitude left to the states in administering the finances of the program,

which if well used has the potential for significantly improving the position of poor children and urban districts. In particular, the following variables have been (within the general guidelines and resources of the federal program) at the discretion of state administration: (a) the rate at which each lunch is reimbursed from Section 4 funds; (b) the criteria for designating Special Assistance schools; (c) the rates at which free, reduced, and paid lunches are funded in Special Assistance schools; (d) the eligibility requirements for children to receive free and reduced price meals; (e) the maximum prices for reduced and paid lunches. In the case of New Jersey and several other states, there is further leverage in the form of a state cash assistance program that contributes an additional subsidy for school meals. This overall package of fiscal controls could be manipulated to better achieve the program's objectives.

Current practices in using these controls are not adequate. Under Section 4 states receive enough money to fund every lunch served at approximately 4 cents each. New Jersey, like other states, allocates this money uniformly at four cents per lunch for every lunch, although federal guidelines permit the use of these funds in a differential manner. Thus, it is permissible, for example, to put up to 12 cents on a poor child's lunch and only one or two cents on lunches to children who can afford to pay, and to vary such rates among school districts.

The current "flat" use of Section 4 funds is compounded in New Jersey by the method in which the state's own funds are used to supplement the federal appropriation. The New Jersey law (Del Tufo Act) authorizes the state to "make up the difference" between the four cents actually supplied by the federal government and the (old) nine cent maximum per lunch

permitted out of Section 4.* Thus, New Jersey spreads its appropriation uniformly, at five cents per lunch, over all lunches regardless of the need of the recipient or the economic condition of his school district, or the propensity of his district to feed needy children. (Just to put this situation in perspective, Section 4 funds plus state (Del Tufo) funds came to over five million dollars in fiscal year 1970, about two-thirds of the total funds available from the state and federal governments for the lunch program in public schools in New Jersey.)

The Special Assistance program provides funds for free and reduced price lunches for needy children. The procedure for disbursing Special Assistance funds in New Jersey has been based on two types of designation for schools with significant numbers of needy students. In participating schools for which 20 percent of the enrollment consists of needy children (as determined by standards of Title 1 of the Elementary and Secondary Education Act) all lunches are served free or at reduced prices and are reimbursed at a uniform rate of 19 cents each from Special Assistance funds. In schools with at least 10 percent but less than 20 percent enrollment of needy children, only free and reduced price lunches are reimbursed at the 19 cents Special Assistance rate. (In addition, all lunches reimbursed under Special Assistance receive 5 cents out of state funds, somewhat in contradiction to the letter of the state law.)

One obvious problem with this procedure for disbursing Special Assistance funds is that it neglects needy children in schools that do not qualify under one of the Special Assistance designations. In addition, the procedure allows the use of scarce program funds for children (in 20 percent schools) who are not needy (according to the Title 1 definition). These deficiencies, though partially the fault of the federal program which has

*The New Jersey legislation has not been revised to correspond to the new federal maximum of 12 cents for Section 4.

until now required designation of individual schools as eligible to receive Special Assistance funds, could have been corrected under state option.

Determination of eligibility for free and reduced prices have been left to the discretion of the local districts, with state approval of local guidelines being only a formality. Finally, the maximum price allowed to be charged for a regular school lunch has been set by the state at forty cents, requiring a subsidy for every meal regardless of the context.

In summary, the state administration of fiscal controls is not designed to produce the most meals for the needy, or to resolve the financial difficulties of urban school meal programs. In developing new policies for using the state controls more effectively, the "efficiency" objective to maximize the number of meals served to needy children for a given amount of federal and state program funds must be balanced against the "equity" objective to compensate poor urban districts in accordance with their more pressing needs. The structure of policies may be considered in two parts: First, policies should be designed to ensure that every school district has a strong incentive to use whatever program (and other) funds it receives to buy meals for needy children. Second, state and federal funds should be allocated differentially among school districts to accomplish the desired weighting of objectives (equity and efficiency).

There are several options for inducing school districts to concentrate their resources on feeding needy children. First, the state could set uniform statewide eligibility standards for free and reduced price lunches and require that districts use acceptable (non-intimidating) certification procedures to qualify eligible children.* These requirements would ensure

*These measures have been included in the new federal legislation. It is still within the discretion of the state, however, to adopt higher standards that correspond more closely to the cost of living in New Jersey as opposed to the nation as a whole.

that (a) needy children will not be deterred from participating because of high price or embarrassment, and (b) districts cannot avoid responsibility by setting deliberately stringent requirements for free and reduced price meals. To supplement this measure, the state must implement financial incentives to encourage districts to use their resources to support meals for needy children. This may be accomplished by redesigning the rates of reimbursement -- f cents per free lunch, r cents per reduced price (e.g. 20 cent) lunch, and p cents per paid lunch -- from federal and states' own funds,* and by raising the price ceiling on meals for children who can afford to pay a larger proportion of the cost of their meals.

Suppose the rates were designed to cover full net costs to the district (cost less price charged) for the free and reduced price meals, and some nominal (or zero) proportion of the cost of paid lunches. Then, assuming enough federal and state program money to cover the total sum of reimbursements to which districts are "nominally entitled," every district would be required to recognize its needy children and to treat them objectively, and would be rewarded principally for serving free and reduced price meals to these children.

In the absence of sufficient federal and state program funding, however, districts could not receive their full nominal entitlements and would be required to shoulder part of the burden themselves. The rate at which different districts are "cut back" from their nominal entitlement sums would depend on the chosen compromise of the equity and efficiency objectives. The result will fall somewhere between two polar cases. If one is interested only in maximizing the number of meals for needy children,

*Thus, if a district served F free lunches, R reduced price lunches, and P paid lunches then it would be (nominally) entitled to fF+rR+pP cents of funding.

then an "optimal bribe system" should be developed in which districts would be funded according to their "cost-effectiveness" in providing lunches to needy children. In this case, the rates of reimbursement (f, r, and p) might be negotiated individually with school districts (or based on the previous years record), with the (limited) program funds going to districts in decreasing order of the number of meals to needy children that they (promise to) serve per dollar granted from state and federal funds. If one is most concerned with improving the food programs in poor districts, then cutbacks from nominal sums would be made to vary inversely with a district's "ability to pay" as measured by some index of wealth (e.g. per capita income). In the latter case, one might expect fewer lunches to be served to needy children overall, but less extreme differentials in the number of unserved needy children among different districts.* In either case, however, both low income children and urban districts could be made to fair better than they do now, by concentrating the heretofore thinly spread state and federal funds where the need is.

In principle, the financial restructuring could be effected at any particular level of funding. In fact, however, if the uniform eligibility standards were set at a reasonable level, and significant increases in the number of participating children were achieved, then increases in the level of federal and state funds would be needed to avoid too great a burden on

*The cost/effectiveness ratios (free and reduced price meals served per dollar received) under the present scheme of reimbursement indicate that cities perform more ably than their suburban counterparts. The cost/effectiveness of all large cities (districts over 50,000 population) in the five SMSA's is 3.19, compared to 0.43 for the smaller districts. If districts where Special Assistance rates apply are excluded, the cities' ratio is 0.3 compared with 0.24 for the smaller districts. These numbers indicate that the equity and efficiency objectives may not be very incompatible, although these results may change under a more "rational" reimbursement procedure.

the local districts, with the consequent disincentive for districts to join or remain within the program.* In short, a restructuring according to the above discussion would allow a more desirable allocation for a given level of funds, but would not entirely solve the problem of inadequate program resources. Thus, the state might be called upon to supply additional funds of its own, or to provide mechanisms with which localities can boost their own resources.

To some extent the states are in a position to do both. New Jersey, for example, does contribute state funds for school meals and could increase that appropriation. In addition, the state could seek assistance from other federal programs such as the OEO Emergency Food and Medical Service program,** and the funds associated with the Elementary and Secondary School Act and the Aid for Dependent Children programs, in order to mobilize the resources needed to initiate new school meal programs and maintain the operations of ongoing ones. In some states such as New Jersey, Departments of Community Affairs have been established to initiate and coordinate state and federal program efforts directed at the problems of the cities. Such agencies might play the key role in developing additional sources of revenues for school meal purposes.

Finally, the states can contribute to the resources of local districts through the mechanism of state aid to education. This aid can be tied directly to regulations and incentives to induce districts to provide adequate meal programs. In New Jersey, pending legislation known as

*Total State and Federal program funds for New Jersey were approximately $6.6 million in fiscal year 1970. If these funds were spent totally on meals for all low income (Title 1) children, it would cover 26 cents per meal. The cost per meal is fifty to sixty cents.

**The New Jersey Department of Education has in fact just recently received a development grant under this program, for fiscal year 1971.

the Bateman plan establishes criteria for four different levels of school district and sets state financial aid according to the level of the district (as well as the number and income distribution of its students). Higher level districts, i.e., districts meeting more stringent requirements for programs, staff, and facilities, would receive state aid at a higher rate. Food program requirements could easily be built into these criteria. Implementation must be taken with care, however, to avoid distorting the desired set of incentives. Without the proper resources, needy urban school districts cannot implement the improvements (such as food programs and facilities) needed to qualify for the additional state aid. On the other hand, well-to-do districts would be rewarded for having these additional resources to begin with. Thus, a state aid to education plan with incentives for improvement such as those contained in the Bateman plan must be implemented <u>in conjunction</u> with provision of resources to enable districts to make the required improvements. With these resources available, the state aid plan acts as an incentive to use the resources in the desired manner and permits the districts to expand their meal programs once the new level of state aid is achieved.

There are several additional ways for the states to boost the resources of local communities to allow them to support school meals to a greater degree. For example, the states can give direct aid (bloc grants) to the cities; New Jersey's Emergency Urban Aid Program in 1969 is an example of this. That program provided cash without strings to New Jersey cities, which certainly could have been usefully spent for school meals had the incentives been strong enough. More fundamentally, of course, the states could restructure the local tax systems (e.g. permit implementation of local sales or payroll taxes) to allow local urban governments to raise revenues more consistent with their needs.

In addition to manipulating the financial structure of the lunch program, or more widely, of the fiscal arrangements between the state and localities, the state is in a position to provide some direct services, and to restructure local district and state program organization to permit more efficient program operations. There are a number of areas where the state can provide services more efficiently than if such services were left to local districts. Such services might be conveniently divided into two categories -- "hard" services and "soft" services. In the latter category, the state could perform useful functions in technical assistance, information distribution, research, and experimentation. In the former class, services such as the distribution of commodities, volume purchasing of foods and equipment, and regional contracting with private industry for food management, storage, and transportation services for local districts, might be best performed by the state. State provision of these services would be beneficial in two ways. First, many of the services, such as the dissemination of technical information to local districts, would permit local programs to operate more efficiently. Second, direct provision of certain necessary services by the state, such as warehousing and transporting purchased foods and commodities, may save money by achieving possible economies of scale, would directly relieve local districts of administrative and financial burdens, and would permit them to use their existing resources to provide more meals.

One glaring example of how the state could improve its performance in the provision of services is the commodity distribution program for school lunch, which is part of a wider federal program of commodity distribution that provides surplus or price supported foods to various needy individuals and groups. This program is administered through state agencies and

distributed through the counties. The costs of storage and distribution may be borne by the state or by the localities that use the commodities. In New Jersey, the state accepts commodities from the Federal government and stores them in rented warehouses at two locations within the state -- Jersey City and Vineland. Local school districts must pick the commodities up themselves, at one of these two locations. In some cases this involves traveling half way across the state! The cost of the commodity program is borne almost entirely by the districts since the districts must provide their own transportation for hauling the commodities to localities, and in addition must pay a fee equal to 4 percent of the value of the commodities, to cover the costs of warehousing. The only cost borne by the state amounts to $108,000 (in 1969) for administration and record-keeping.

Although a systematic analysis has not been made, it is probable that economies could be achieved by providing a larger number of warehousing and/or distribution points within the state. Secondly, savings could be achieved by having commodities distributed to local school districts by a (central) state agency rather than through the decentralized individual school district pickup system, since many fewer vehicle miles would need to be traveled to accomplish a given commodity delivery schedule. Even if the state charged the local districts for the service of local delivery, it would appear that the districts would save money.

In the commodity program and elsewhere, there are examples of organizational problems, on both the state and local levels, that the state could help correct. The commodity program is separately administered by the New Jersey Department of the Treasury and is isolated from the principal nutrition programs (school lunch, etc.) within the Department of Education. This fragmentation of administration leads to a lack of

coordination and perhaps to a misallocation of overall resources. In addition, there are a number of other departments than Education and Treasury -- namely Health, Institutions and Agencies (welfare, etc.), and Community Affairs, that are separately concerned with nutrition in some way, but which fail to coordinate efforts. There are a number of possible alternatives for improving the administration not only of school lunch but of nutrition and health programs for other risk groups in the population. For example, organizational mechanisms ranging from inter-departmental councils to State Non-Profit Corporations or State Authorities exist for special purposes in various states, and could be investigated for the nutrition problem as well.

One of the most basic organizational problems, however, is the fragmentation at the local level -- the classic problem of local urban government. In New Jersey, there are 572 operating school districts and 29 non-operating districts (i.e., districts that collect taxes and pay tuition to operating districts in return for educating the children residing in the non-operating districts), for a total of 601 separate local jurisdictions in charge of elementary and secondary education in the state! This proliferation of local districts is particularly costly with respect to the operation of school lunch programs since significant economies of scale can be achieved by implementing central kitchens instead of having (small scale) individual kitchen operations. (Of course, these economies could be achieved without consolidation if adjacent districts entered cooperative arrangements for food service or if several districts contracted with a single private food management company. In any case, the fragmentation of food service operation needs to be overcome.)

The Boston School Lunch Study of 1968* illustrates this point vividly. Boston has approximately 100,000 public school students and needed to equip (or re-equip) 137 of its schools. The capital operating costs were evaluated for several alternative delivery systems. It was found that over the period of 1968-77, the capital cost per lunch using a refrigerated bulk pan central kitchen system would by 9.2 cents compared to 16.6 cents for a conventional system with kitchens in every school. In addition, the operating cost per meal (1970 projected prices excluding commodity value) for the central kitchen system would be 37.1 cents compared to 48.6 cents for a conventional system. Central kitchen systems become economical, however, only when 5,000 or more meals are served per day and operate best at perhaps 50,000 to 100,000 meals per day. However, in New Jersey only 57 districts have enrollments exceeding 5,000; only 16 have enrollments over 10,000; and only 3 have enrollments over 25,000. Thus, it is clear that the fragmentation of school food service production on a district basis is a very costly situati .

There are several means with which the state could encourage the consolidation of school districts, for the purpose of school food service or for a wider scope of educational services. One possibility is to revise the nutrition program's financial structure to provide incentives for districts to combine their food service operations. This might be done through the cash for meals reimbursement programs discussed earlier, or through some new state cash grant program for financing capital equipment for food services. On a broader scale, the state can build minimum district size into state aid for education requirements. The Bateman plan for New Jersey, for example, recommends a particular

*See Ganteaume and McMullen, Inc., School Lunch Study, Hearings of the Senate Subcommittee on Nutrition and Human Needs, Part II - Child Nutrition and School Food Assistance, July 1969, pp. 3665-3689.

minimum district size (3,500 students) for a district to qualify as "comprehensive" and be eligible for the corresponding higher level of state aid. Other approaches, more or less indulgent of local independence, are of course possible. Legally, the state could mandate requirements for school district organization, or on the other extreme could merely alter state regulations to "permit" reorganization on local initiative. The middle ground, as in the New Jersey plan, is to set up incentives that entice localities into more efficient districting arrangements.

It is noteworthy that in the case of school districting, New Jersey has been bucking the national trend. Nationally, there are roughly one-fifth the number of school districts now than there were in 1932. In New Jersey, however, the number of districts has increased since that time, from 552 to 601 districts. While New Jersey may be atypical with regard to the fragmentation of school districts, the New Jersey school districting situation <u>is</u> indicative of the wider problem of fragmentation of urban governance. For on the one hand, the fragmentation causes inefficiency in the delivery of certain services (and has led to the formation of special metropolitan area-wide districts for utilities, transportation, and other services), and on the other hand, separates the requirements from the resources, and creates the fiscal discrepancies that haunt urban areas.

There are, of course, some advantages that result from fragmented government. Presumably, the differentiation of local areas by social and economic characteristics, and tax and public service packages, allows citizens a wider choice of living environments. Without some means of sharing resources and responsibilities among governments in a metropolitan area, however, the aforementioned difficulties will result.

Prognosis for Progress

The school lunch case is indicative of the difficulties encountered by the cities in dealing with social problems. We have seen that the cities incur a disproportionately high burden but have relatively inadequate resources to deal with the problems, and that although the citizens of the cities exert a greater fiscal effort, that effort is insufficient to cope with the magnitude of the deficiencies. Further, we have observed that the state government is in a strategic position to deal with the problems that fall particularly hard on the cities, by supplying needed fiscal resources, delivering needed services, and restructuring the organizational framework through which localities do business. The important question then is whether or not the states will fulfill their potential.

To answer this question would require an in-depth political analysis. The following discussion is meant only to enunciate some of the factors currently at work that hinder on the one hand, and promote on the other, progressive action at the state level.

There are perhaps three foci around which the issue of state action revolves: the federal influence on state affairs, the state administration, and the state legislature. The federal government, primarily through its grants-in-aid programs, is clearly the most important external mechanism for bringing about changes in state level policy. From the point of view of purse strings alone, the federal government in fiscal year 1967 contributed 17 percent of New Jersey's total state government revenues. The federal government could do more to influence state behavior: witness the new national legislation which requires minimal state appropriation levels (such as New Jersey now contributes) and the submission of state plans that map out the intention to serve all needy children, as prerequisites

to receiving program funds. But without increased financial aid the program will continue to fall short of its objectives. The federal government, of course, has the advantage of its more lucrative income tax sources to finance needed services.

The general prospect of increased aid, however, raises some interesting issues that pertain to the fundamental relationships between levels of government in the federal system. As was mentioned at the start, the recent trend has been toward closer federal involvement with local programs, by-passing the state governments. This involves a fundamental issue, important not only with respect to categorical aid programs, but also with regard to revenuing sharing, i.e., bloc grants from the federal government to the states. The controversy in revenue-sharing revolves around the desirability of a "pass-through" requirement by which a certain proportion of the shared revenues would be mandated for local (city) government use. In general, the question of state by-pass raises real questions regarding the long term solutions of local problems. In particular, although direct federal aid to localities may be more effective in dealing with immediate short run problems, it may in the longer term weaken or discourage more fundamental fiscal and organizational reforms which can only be accomplished at the state level. On the other hand, the threatened loss of position in the federal power structure may induce states to take hitherto unmotivated progressive actions. On balance it would appear that continued effort should be made to bring the states into an active progressive role, for without this, localities, with or without federal aid, must act through the inefficient fiscal, economic, and organizational arrangements controlled by the states.

The governor and his administration constitute a second major element affecting state action or inaction on social issues. Executive leadership and support is important both to originate and sustain new legislative proposals and to permit forceful administrative action of the executive departments. The case of school lunch in New Jersey exemplifies this situation very well. Staff proposals for additional funding and for changes in administrative regulations or legislation, must survive various echelons of administrators before they ever see the light of day. Some of these officials have cultivated their own constituencies, often with local jurisdictions that jealously guard their autonomy and economic interests and which are too often indifferent to the needs of the underpriviledged. In theory, the governor can take the initiative in proposing or supporting progressive actions, his ultimate power being his prerogatives of appointment and removal of officials in the executive branch. But he cannot exercise his options without cost, because he is liable to antagonize powerful local political groups. Perhaps the answer lies in the organization of disadvantaged groups into effective constituencies themselves, to counter the strong rural and suburban interests.

In the case of school lunch, the Department of Education has made some progress in developing progressive proposals, and the governor has committed himself to additional state funding for school lunches.* But some of the basic reforms such as the change in the (Del Tufo) funding legislation have been delayed by internal conflict.

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*See "Toward Excellence in Education in the Seventies," Special Message of William T. Cahill, Governor of New Jersey, April 9, 1970, pp. 13-14.

Perhaps the most crucial element in the picture is the state legislature, since it essentially has controlling influence over basic fiscal and organizational reforms. The fundamental issue, as far as future programs are concerned, is whether the balance and commitment of the legislature can move toward an urban emphasis. Such an eventuality may require greater identification with city problems, on the part of suburban legislators. Although the prognosis for such a development may not be particularly bright, there are some favorable factors in operation. For one thing, urban problems are encroaching on the suburbs themselves. This may tend to make suburban legislators, in their own self-interest, to be more sympathetic to city-oriented legislation. A second favorable factor is the organization of local groups of poor people to pressure legislators as well as the executive branch into more responsible behavior with respect to social legislation.

Finally, there are some very basic statewide issues that may be key to a series of reforms. One of these, in New Jersey, is the state income tax. Another is the consolidation of school districts. Movement toward wider (and more progressive and lucrative) state taxes and more centralized governance will in itself put the state in a better position to deal with the basic problems of urban areas. The tax and reorganization issues will eventually be resolved in favor of more progressive arrangements, but whether the state will take up its important role in urban problems, or remain an inhibiting obstacle, is yet an open question.

TABLE 1

VARIATION OF PUBLIC EXPENDITURES AND PERSONAL INCOME WITH CITY SIZE

City Size:[1]	100,000 or more	50,000-99,999	25,000-49,999	10,000-24,999	5,000-9,999	2,500-4,999	less than 2,500
General Expenditures[2]	262.5	215.2	205.9	105.4	100.6	111.3	135.4
Education	114.3	94.9	96.2	20.0	6.9	11.7	0.1
Welfare	7.7	2.6	2.4	1.0	0.6	1.1	0.5
Hospital	15.4	3.9	0.3	0.2	0.1	0.04	0.2
Health	4.0	2.3	2.4	1.8	1.7	1.5	1.3
Police	30.1	19.3	19.4	17.8	18.3	19.1	18.3
Fire	21.7	18.5	16.4	6.1	4.8	6.9	4.7
Sanitation	8.8	7.7	6.9	5.6	5.6	6.2	5.7
Income per capita[3]	1873	2220	2530				
Percentage of families with incomes under $3,000[4]	16.7	13.2	10.5				

1/ 1960 population.

2/ Expenditures per capita for fiscal year 1967.
Source: U.S. Bureau of Census, Census of Governments, 1967, Vol. 4, No. 4, Finances of Municipalities and Townships Governments.

3/ 1959 Aggregate Income per Capita.
Source: U.S. Bureau of Census, County and City Data Book, 1967.

4/ 1959; Source: See 3/.

TABLE 2

POPULATION AND INCOME IN NEW JERSEY SMSA's

	Population[1] (thousands)	Population[2] Density	Percent of House-holds[3] with Incomes Under $3,000	Income[4] per Capita
Atlantic City SMSA	181.8	319.5	28.0	2882.3
Atlantic City	61.9	5158.3	39.2	2494.3
Rest of SMSA	119.9	215.3		3082.6
Jersey City SMSA	618.6	13161.7	17.3	3774.7
Bayonne	74.1	14820.0	14.4	3797.6
Jersey City	271.2	18080.8	18.1	3606.6
Union City	52.1	52100.0	20.2	3708.3
Rest of SMSA	221.2	8507.6		3988.7
Newark SMSA	1870.4	2668.2	8.1	4043.0
Bloomfield	53.8	10760.0	5.4	4111.5
East Orange	76.3	19075.0	8.7	4449.5
Irvington	61.8	20600.0	8.7	3914.2
Newark	384.6	16025.0	14.1	3189.3
Elizabeth	110.9	9241.7	9.8	3707.8
Plainfield	46.9	7816.7	8.8	4269.8
Rest of SMSA	1136.1	1755.9		4331.8
Paterson-Clifton-Passaic SMSA	1316.7	3083.6	11.6	4300.9
Clifton	89.4	8127.3	10.3	4029.1
Passaic	54.9	18300.0	20.2	3556.3
Paterson	147.6	16400.2	21.4	3158.7
Rest of SMSA	1024.8	2536.6		4529.0

TABLE 2

POPULATION AND INCOME IN NEW JERSEY SMSA's (cont'd.)

	Population[1] (thousands)	Population[2] Density	Percent of House-holds[3] with Incomes Under $3,000	Income[4] per Capita
Trenton SMSA	300.4	1317.5	13.8	3555.3
Trenton	107.7	13462.5	20.0	3104.9
Rest of SMSA	192.7	875.9		3807.0
New Jersey State Totals	6899.2[5]	916	13.1	3465.8[6]

1/ City population for 1966 derived by allocating county totals from U.S. Census according to ratio of city to county populations found in Sales Management, 1966.
Source: U.S. Bureau of Census, Census of Governments, 1967, Vol. 5: Local Governments in Metropolitan Areas.

2/ Source: See Table 1, 3/

3/ Source: Sales Management, 1966.

4/ County and city incomes for 1967 derived by allocating SMSA's totals for personal income, where received from Census Bureau according to ratio of county or city to SMSA's personal incomes found in Sales Management, 1966.
Source: U.S. Department of Commerce, Office of Business Economics, Survey of Current Business, May 1969, Vol. 49, No. 5, Part 1.

5/ Source: U.S. Bureau of the Census, Census of Governments, 1967, Vol. 4, No. 3: Finances of County Governments.

6/ Source: U.S. Department of Commerce, Office of Business Economics, Survey of Current Business, April 1969; Vol. 49, No. 4.

TABLE 3

REVENUE AND EXPENDITURE EFFORT IN NEW JERSEY SMSA's

	Own Revenue[1] per Capita	Fiscal Effort [2]	Expenditures[3] per Capita
Atlantic City SMSA	250.9	8.7	361.8
Atlantic City	324.2	13.0	553.5
Rest of SMSA	213.1	6.9	262.9
Jersey City SMSA	242.0	6.4	306.4
Bayonne	208.5	5.5	285.0
Jersey City	253.9	7.0	359.8
Union City	214.1	5.8	274.3
Rest of SMSA	244.8	6.1	255.8
Newark SMSA	261.9	6.5	357.8
Bloomfield	248.2	6.0	305.7
East Orange	262.5	6.0	348.5
Irvington	233.0	6.0	304.3
Newark	309.6	9.7	560.8
Elizabeth	227.8	6.1	304.8
Plainfield	229.6	5.4	347.4
Rest of SMSA	252.7	4.8	300.7
Paterson-Clifton-Passaic SMSA	230.4	5.4	272.2
Clifton	167.7	4.2	205.1
Passaic	232.6	6.5	314.6
Paterson	202.2	6.4	274.7
Rest of SMSA	239.8	5.2	275.4

TABLE 3

REVENUE AND EXPENDITURE EFFORT IN NEW JERSEY SMSA's (cont'd.)

	Own Revenue[1/] per Capita	Fiscal Effort[2/]	Expenditure[3/] per Capita
Trenton SMSA	229.5	6.5	314.8
Trenton	235.5	7.6	335.1
Rest of SMSA	226.1	5.9	303.5
New Jersey State Totals	41.7	1.2	61.2

1/ Includes revenues of all governments operating in the jurisdiction, including school districts and special districts. Portions of county revenues (and expenditures) are allocated to cities on the basis of relative populations.

2/ Defined as own revenue divided by personal income.

3/ See 1/.

Sources: U.S. Bureau of Census, Census of Governments, 1967, Vol. 4, No. 2: Finances of Special Districts.

Also, see 2/, Table 1, and 1/, Table 2.

TABLE 4

SCHOOLS AND ENROLLMENTS IN NEW JERSEY SMSA's

	No. Schools	Percentage of Schools That Are Low Income	Enrollment	Low Income Students as Percentage of Enrollment
Atlantic City SMSA	81	40.7	25704	19.3
Atlantic City	15	86.7	8599	47.6
Rest of SMSA	66	30.2	17105	9.4
Jersey City SMSA	102	55.9	89144	16.4
Bayonne	14	42.9	9051	11.5
Jersey City	38	63.2	37672	24.1
Union City	9	100.0	8692	11.4
Rest of SMSA	41	43.9	33729	10.3
Newark SMSA	578	23.2	445689	12.1
Bloomfield	14	42.9	8437	3.7
East Orange	16	68.8	11272	12.7
Irvington	10	0	7514	9.0
Newark	83	60.2	77228	37.4
Elizabeth	26	38.5	15837	17.1
Plainfield	15	93.9	9089	13.0
Rest of SMSA	414	10.4	316312	2.2
Paterson-Clifton-Passaic SMSA	403	10.7	255123	6.6
Clifton	17	0	12215	3.4
Passaic	11	63.6	8476	17.9
Paterson	31	48.4	26058	26.4
Rest of SMSA	344	6.1	208374	3.6

TABLE 4

SCHOOLS AND ENROLLMENTS IN NEW JERSEY SMSA's (cont'd.)

	No. Schools	Percentage of Schools That Are Low Income	Enrollment	Low Income Students as Percentage of Enrollment
Trenton SMSA	93	29.0	54279	11.8
Trenton	24	70.8	16502	29.2
Rest of SMSA	69	14.5	37777	4.0
New Jersey State Totals	2376	23.3	1500144	9.4

Source: New Jersey State Department of Education
Figures for schools and enrollments are for (October) 1969.
Proportion of low income students estimated from 1969 data in low income schools, and 1968 data on overall school districts.

TABLE 5

PERFORMANCE OF SCHOOLS IN NEW JERSEY SMSA's IN PROVIDING SCHOOL LUNCHES

	Percentage of Schools with Lunch Programs	Percentage of Low Income Schools with Lunch Programs	Percentage of Students Who Participate in Program	Percentage of Students Receiving Free or Reduced Price Lunches	No. of Free and Reduced Price Lunches as a Percentage of Low Income Students	No. of Low Income Children Less the No. of Daily Lunches Served at Free or Reduced Price
Atlantic City SMSA	63.0	78.8	31.6	16.4	85.0	745
Atlantic City	66.7	69.2	45.6	45.6	95.8	172
Rest of SMSA	60.6	85.0	24.6	1.7	18.1	573
Jersey City SMSA	15.7	26.3	2.0	0.2	1.2	14441
Bayonne	7.1	16.7	3.7	0.4	3.5	1005
Jersey City	18.4	25.0	2.8	0.1	0.4	9041
Union City	0	0	0	0	0	991
Rest of SMSA	19.5	44.4	1.2	0.3	2.9	3404
Newark SMSA	48.3	52.2	18.9	5.8	47.9	34066
Bloomfield	28.6	50.0	10.7	0.4	10.8	278
East Orange	18.8	0	30.8	17.5	137.8	-(541)
Irvington	40.0	0	13.6	0	0	676
Newark	74.7	88.0	33.2	29.3	78.3	6256

TABLE 5

PERFORMANCE OF SCHOOLS IN NEW JERSEY SMSA's IN PROVIDING SCHOOL LUNCHES (cont'd.)

	Percentage of Schools with Lunch Programs	Percentage of Low Income Schools With Lunch Programs	Percentage of Students Who Participate in Program	Percentage of Students Receiving Free or Reduced Price Lunches	No. of Free and Reduced Price Lunches as a Percentage of Low Income Students	No. of Low Income Children Less the No. of Daily Lunches Served at Free or Reduced Price
Elizabeth	30.8	0	15.4	2.2	12.9	2360
Plainfield	40.0	35.7	0.6	0	0	1182
Rest of SMSA	46.4	41.9	16.0	0.3	13.6	23855
Paterson-Clifton-Passaic SMSA	37.7	30.2	15.6	2.0	30.3	14109
Clifton	23.5	0	16.9	0	0	415
Passaic	27.3	0	19.3	0.3	1.7	1492
Paterson	12.9	26.7	9.1	2.0	7.6	6827
Rest of SMSA	40.7	42.9	16.2	2.2	61.1	5375
Trenton SMSA	26.9	25.9	25.5	1.6	13.6	5536
Trenton	25.0	29.4	16.4	0.3	1.0	4769
Rest of SMSA	27.5	20.0	29.5	2.2	55.0	767
New Jersey State Totals	45.7	42.2	19.6	3.1	33.3	102674

Source: New Jersey State Department of Education, 1969.

TABLE 6

PROLIFERATION OF SCHOOL DISTRICTS IN NEW JERSEY SMSA's

	No. of Districts	Enrollment/ District	Schools/ District
Atlantic City SMSA	25	1028.2	3.2
Jersey City SMSA	15	5942.9	6.8
Newark SMSA	88	5064.6	6.6
Paterson-Clifton-Passaic SMSA	97	2630.1	4.2
Trenton SMSA	10	5427.9	9.3
New Jersey State Total	601	2496.1	4

Source: New Jersey State Department of Education, 1969.